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## Jobs Issue Takes on Added Urgency



*By Cathy C. Tymniak*

Connecticut has a jobs problem.

Economists predict no more than 18,000 net new jobs will be created in Connecticut this year. Many of them will be in lower-paying but necessary sectors of the service economy.

Across the state, citizens recognize the number and quality of jobs being created are a problem. Fully 37 percent of Connecticut residents told pollsters that jobs and the economy are their top concerns—higher than any other single issue. That number is up from 25 percent a year ago.

Facts and figures bear them out. Connecticut has lagged the nation in job growth. The U.S. Bureau of Labor Statistics places Connecticut near the bottom of all 50 states in job creation. The state Department of Labor says 12,500 net new jobs were created in 2005 and 15,700 in 2004. That was less than a one percent increase in each of the past two years—barely half the national rate of increase.

The job market is weaker in some areas of Connecticut, but more promising in our area. Employment in Danbury and Torrington market areas is down from a year ago, while the Bridgeport-Stamford region gained about 2,800 jobs.

In this context, the Connecticut state legislature has made jobs the number one issue for the 2006 session that ends May 3. On both sides of the political aisle, proposals are numerous to address this crucial issue of jobs.

Gov. M. Jodi Rell first raised this issue a year ago convening a January 31, 2005, Jobs Summit. This year, both Democrats and Republicans have taken up the cause with plans of their own.

They include:

- A variety of tax cuts affecting the municipal property tax on manufacturing equipment, the 20 percent state corporate income tax surcharge that was reimposed last year and taxes on energy bills

- Providing tax incentives such as several proposals to attract movie and television production in Connecticut
- Creating more scholarships for students studying science and math
- Requiring a jobs impact statement on every piece of proposed legislation
- Giving companies cash bonuses to create jobs that include health insurance benefits
- Sending in economic “SWAT” teams to the site of an announced mass layoff to assess the damage and to help the workers plan the process of retraining and job seeking by comparing worker skills against workforce openings
- Retraining current workers to keep the Connecticut workforce technologically current and relevant in today’s economy
- Depositing part of the budget surplus into a high yield account to generate 250 \$20,000 down payments on homes for workers relocated to Connecticut

Will any of these proposals truly help the hundreds of thousands of Connecticut high school and college graduates and other job seekers find jobs in the near future?

Connecticut boasts a skilled work force and other assets, but essentially job growth comes down to the cost of doing business. More jobs are less likely to be created in lower cost areas.

Clearly, Connecticut has a reputation as a high cost state, including labor costs, energy rates, health insurance premiums and pensions, as well as high taxes and the cost of complying with government regulations.

What really needs to be done to turn around the state’s lagging job market?

Legislators need to resist the temptation to add to those costs of doing business every year with new taxes and new government mandates. Legislators ought to put a freeze on new taxes and call a halt to any new directives that raise the cost of doing business in Connecticut.

A job-creating attitude should carry throughout every action of the legislature every day of the legislative session. We need to do a better job promoting innovative, high-tech business investment that creates high-wage positions.

Legislators should keep in mind the young people graduating this summer and in future summers who may have trouble finding well-paying jobs. We need to slow the brain drain of young people who leave for other states.

Almost every legislative action has a consequence for young people and other Connecticut workers. Job One for the legislature should be promoting job growth, not driving jobs away to other states.

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